



Press Release

Simplex Infrastructures Limited

September 9, 2024

Rating

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	2600.00	IVR D, ISSUER NOT COOPERATING* (IVR D, ISSUER NOT COOPERATING)	IVR D, ISSUER NOT COOPERATING* (IVR D, ISSUER NOT COOPERATING)	Reaffirmed and maintained in ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	75.00	IVR D, ISSUER NOT COOPERATING* (IVR D, ISSUER NOT COOPERATING)	IVR D, ISSUER NOT COOPERATING* (IVR D, ISSUER NOT COOPERATING)	Reaffirmed and maintained in ISSUER NOT COOPERATING category	Simple
Total	2675.00 (INR Two Thousand Six Hundred and Seventy-Five Crore only)				

**Issuer did not cooperate; based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The rating is reaffirmed and continues to be maintained under 'Issuer Not Cooperating' category because of lack of adequate information regarding Simplex Infrastructures Ltd.'s performance. The rating reaffirmation considers the continued delays in servicing debt obligations owing to the poor liquidity position.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the entity to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated July 31, 2024, August 27, 2024 and September 3, 2024. However, despite repeated requests by



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Infomerics, the company's management has not submitted all the essential details required for detailed review of the assigned ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short-term ratings for the bank facilities of Simplex Infrastructures Limited aggregating to Rs.2675.00 crore shall continue to remain under 'ISSUER NOT COOPERATING' category.

Analytical Approach: Standalone.

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of assigning Rating Outlook](#)

[Policy on default recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity: Poor

The liquidity of the company continues to remain poor. The company has defaulted in its debt servicing obligations.

About the Company

Simplex Infrastructures Ltd. was established by Mr. H. P. Lancaster, an Englishman, in 1924. It was he who invented the piling system which became synonymous with the name of the company and became known as the 'Simplex' system of piling. Simplex was subsequently taken over by the Mundhra family of Kolkata, the current promoters, in 1947. The current promoters are solely focused on this business for almost seven decades. Simplex is one of the largest players in the domestic construction sector providing services encompassing the whole gamut of civil and structural construction activities including turnkey projects comprising layout plan, detailed civil and engineering design, architecture, structural construction and complete execution and commissioning.

Financials (Standalone):

(Rs. crore)



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For the year ended* / As On	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	1546.54	1010.95
EBITDA	21.11	27.90
PAT	-506.24	-71.89
Total Debt	5989.00	7184.53
Tangible Net worth	-634.63	-734.90
EBITDA Margin (%)	1.36	2.76
PAT Margin (%)	-31.89	-6.99
Overall Gearing Ratio (x)	-9.44	-9.78
Interest Coverage Ratio (x)	0.03	0.35

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Care Edge Ratings has maintained the rating of Simplex Infrastructures Limited in the Issuer Non-Cooperating category vide Press Release dated November 23, 2023 as the company continued to be non-cooperative despite repeated requests for submission of information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument /Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					Aug 29, 2023	July 1, 2022	May 21, 2021
1.	Long-Term Bank Facilities	LT	2600.00	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*
2.	Short-Term Bank Facilities	ST	75.00	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information



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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long-Term Bank Facilities	-	-	-	-	2600.00	IVR D; ISSUER NOT COOPERATING*
Short-Term Bank Facilities	-	-	-	-	75.00	IVR D; ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.